



For Immediate Release
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Contact
Whitney Tucker
Marketing & Communications Manager
Office – 515-220-8823 | Cell 515-418-7554

Grimesplex Update

At the March 22nd City Council meeting, the Council approved an agenda item regarding a donation of \$12 million and the land for GrimesPlex from Hope Development. This Council action authorizes some engineering and legal work that will be brought back to the Council for further discussion and a final decision at a later date.

Hope Development & Realty is partnering with the City of Grimes to construct the 50-acre multi-use sports turf complex. In the initial agreement, the City of Grimes agreed to give Hope Development & Realty \$25 million in tax increment financing to construct a 200-acre entertainment district including the sports complex. Then in 10 years, Hope Development planned to donate GrimesPlex to the City of Grimes.

Now instead of residents getting access to some of the facility after 5 years and Hope Development donating the GrimesPlex to the City in 10 years, the donation would occur this year and the residents would get access to the facility when construction is complete.

“This proposal puts the City in the driver’s seat for the project. It gives the residents of Grimes more opportunities to use Grimeplex. Instead of being privately owned initially, it will be publicly owned,” said Grimes City Administrator Jake Anderson.

Based on independent third-party cost estimates construction could cost \$19.5 million. That could mean the City would need to finance \$7.5-8 million to finish construction of the project.

If the Council votes to approve the final decision, the City would finance the project by taking on debt. A pro forma and a debt analysis from the City’s consultants show that the anticipated lease revenue generated from the facility will cover the annual payment associated with the debt. Additional revenues generated above and beyond the annual debt service can be used for future enhancements or reserve funds for capital replacements.

Hope Development and Realty is still very much committed to the development of the Hope Entertainment District and is proposing to support GrimesPlex by donating the land and \$12 million

dollars. GrimesPlex is a part of the Hope Entertainment District, which also includes housing, hotel, restaurant, and retail development.

GrimesPlex is expected to be completed in about 1.5 years, but if construction starts soon some multi-purpose sports fields could be finished later this year.

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